Production cost of steel

† 1990. SHRI RAM JETHMALANI:

SHRI KAPIL SIBAL:

Will the Minister of STEEL be pleased to state:

(a) whether it is a fact that there has been continuous increase in the cost of steel production for the last three years in the country;

(b) if so, the commodities required for the production of steel; and

(c) the estimated increase in the cost of each of these commodities from March, 2000 to October, 2003?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI BRAJ KISHORE TRIPATHY): (a) There has been a general increase in the cost of steel production over the last three years in the country.

(b) The major raw material requirement is dictated by the process route adopted for production of steel. In case of producers who operate on the blast furnace/basic oxygen furnance (BF/BOF) route, iron ore, coal/coke are used as the input-mix for producing finished steel. The producers operating on the Electric Arc Furnance and Induction Furnace (EAF/IF) routes use steel melting scrap, sponge iron and pig iron combination as the input mix to produce steel. Further, Limestone, Dolomite and, Ferro Alloys etc. are also required in varying degees for production of steel.

(c) In a deregulated environment, data on costs of various commodities required for the production of steel are not maintained by the Government. Costs of different inputs vary plantwise depending on factors like location, freight burden, availability of captive mining sources or otherwise, source of input-domestic or imported, etc. The estimated increase in the cost of some of the major commodities in respect of SAIL, during the period April-Sept. 03 over 1999-2000 is given in the table below:

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† Original notice of the question was received in Hindi.

Commodity	Percentage Increase
Iron Ore	6.18%
Coal (Indigenous+Imported)	30-62%
Limestone	12-22%
Dolomite	6-55%
Ferro Mn.	14-66%

SOURCE: SAIL

Directive for steel prices

1991. SHRI PARMESHWAR KUMAR AGARWALLA: Will the Minister of STEEL be pleased to state:

(a) whether it is a fact that Government have asked the steel industry not to increase the steel prices; and

(b) if so, what are the factors attributed to this directive?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI BRAJ KISHORE TRIPATHY): (a) and (b) No, Sir. In a deregulated environment, prices are determined by the free interplay of forces of demand and supply. Government does not intervene in the market to influence prices.

Disinvestment of Rashtriya Ispat Nigam

1992. SHRI K. RAMA MOHANA RAO: Will the Minister of STEEL be pleased to state:

(a) whether there is any proposal before Government for disinvesting Rashtriya Ispat Nigam;

(b) if so, the reasons therefor;

(c) the turnover of the Rashtriya Ispat Nigam Ltd. during the last four years, year-wise; and

(d) the profit/loss of Rashtriya Ispat Nigam during the last four years, year-wise?